



hydrix

Medical technology innovation

AGM Presentation
ASX : HYD

13 November 2023

hydrix

About us:

We **create**,
invest in, and **deliver**
the *innovation* in
breakthrough
technologies...to
transform lives



Top:
Artificial Heart (TAH) under
development by
Scandinavian Realheart

Bottom:
TAH controller under
development by Hydrix



Recap FY23 business highlights & milestones

Services

Significant growth, improved margins & operating efficiencies

Ventures

Three maturing assets edging closer to major inflection points

Medical

Catalyst for future product & software revenue growth

HYDRIX Group

Strengthened balance sheet

HYDRIX Services

- Revenues **\$13.2m** (+34% fee revenues)
- EU & US revenues **\$7.25m** (up 4x pcp FY21)
- **\$0.39m** cash operating profit
- **\$1.5m** working capital facility to support growth

HYDRIX Ventures

- Net Tangible Asset value increased **27%** to **\$4.89m**
- Capital raising revaluations, equity in-kind milestone achievements in product development & regulatory approvals, IPO filings

HYDRIX Medical

- Signed **two** AI products to distribution arrangements, commenced market development
- Guardian sub-distributor **appointed** in Malaysia
- **Two** jurisdiction **regulatory approvals** for Guardian

HYDRIX Group

- Reduced Group cash operating loss by **34%** down to **\$3.3m** (pcp \$5.0m)
- **\$3.0m** pro forma cash & available facilities 30/6/23
- **\$3.1m** convertible note facility August 2025 maturity (\$0.05c)
- **\$2.9m** total NTA (pcp -\$1.3m)

A 'buy, build, invest' strategy to sustained profitable growth



01
Acquire Hydrix
Services

Secret Sauce

Acquired an established product development company that **creates** world-first products and innovation for Medtech clients

02
Establish Hydrix
Ventures

Value Capture

Attract and selectively **invest in** Hydrix Services clients, use capital gains to fund growth initiatives

03
Establish Hydrix
Medical

Growth Catalyst

Acquire IP & distribution rights to **deliver** disruptive technologies that improve management of cardiovascular disease

04
Build Medical
Portfolio

Products Licensed

- Heart attack warning device
- Remote patient monitoring
- AI-based heart disease diagnosis

05
Group Revenue
Growth

Multiple Streams

- **Services** profitable, revenues up 80% FY23 v FY21
- **Venture** assets reaching milestones
- **Medical** commence initial revenues

06
Group
Profitability

Target 2025

- **Services** growing revenues & profit
- **Venture** assets approaching liquidity events
- **Medical** expanding portfolio, generating recurring revenues

We **create** the *innovation*
in breakthrough technologies



Michael Trieu
General Manager



Peter Riddell
Global Head of Business
Development



Pauline Newman
Lead Program Manager

Market focus

- Safety critical systems e.g., artificial heart / VAD control systems
- Growth sectors: cardiac, point of care, robotics, orthopaedic & drug delivery tools

Organisational capability

- >55 highly specialised product design, engineering, market insights & regulatory people
- Global clients from funded start-ups to large corporations
- >20 years & 200 client projects (including ASX listed e.g., MEM, MX1, COH, RMD, LBT)



Ina Laura Perkins – CEO Realheart
presenting Hydrix's work on the
TAH controller at the EUMS
conference in Paris Sep 2023

We **invest in** the *innovation*
in breakthrough technologies



Gavin Coote
Executive Chairman



Paul Kelly
Cardiac Product Strategy



Alan Morris
Global Marketing Director

Ventures & Medical Portfolio Strategy

- Early-stage, minority investment in clients developing world-first breakthrough technologies
- Attract clients seeking product innovation & investment, <5-years to commercialisation
- Target >5x capital gains on investments, use to fund (non-dilutive to) growth initiatives

Organisational capability

- Multiple start-up, buy/build/invest corporate venturing successes
- Subject matter expertise including product development, cardiovascular health
- Market development & growth strategy formation / execution



We **deliver** the *innovation*
in breakthrough technologies



Vickie Edwards
Director of Sales & Operations



James MacTaggart
Sales and Clinical Manager



Deb White
Sales and Clinical Manager

Market focus

- Cardiovascular disease afflicts 14% of the population, is the leading cause of death (32%)
- Disruptive diagnostics & remote monitoring technologies that improve patient outcomes
- Mix of recurring subscription & device sale revenues, AI/ML & SaaS technologies

Organisational capability

- Deep CVD experienced team with clinical backgrounds
- Trusted long-term relationships with practitioners & key decision makers
- 'Decades' with global blue chips (e.g., Medtronic, Abbott, Boston Scientific, CardioScan, Baxter)



A group priority Innovation in cardiac health

45% of Services client fee revenues from cardiovascular companies, e.g. total artificial heart control devices, vascular robotics

40% of Ventures asset value is cardiovascular technology, i.e. Avertix GUARDIAN heart attack warning device

Three medical products under distribution:

- Remote patient monitoring platform
- Heart attack warning device
- Aortic valve disease diagnosis platform

Services

Targeting a \$2B global outsourced product development market

Medtech sector including cardiac, PoC, medical robotics and more

Ventures

High potential early-stage medical device companies

Strategic investments:

- A target of >5x cash multiple venture gains on funds invested
- Use liquidity events to fund growth initiatives

Medical

Cardiovascular disease (CVD) is the leading cause of death globally

- Focus on >6B (2027) diagnostic & monitoring market
- Recurring SaaS subscription revenues & device sales
- Acquire IP to internally develop best of breed products

**Targeting large, addressable
healthcare markets**



Goals for next 12 months

Capitalising on significant opportunities created

Services

International revenue growth

Ventures

Potential revaluations

Medical

Commence sales

HYDRIX Group

Continue to strengthen balance sheet

HYDRIX Services

- **>10%** revenue growth primarily from international sales growth
- **More than double** FY23 cash operating profit

HYDRIX Ventures

- **Avertix** – scale USA revenues, revisit a CY24 IPO
- Initial sales of **Cyder** in Australia, commence US FDA regulatory approval, capital raise
- **Cyban** complete 1st Gen product, commence US FDA regulatory approval, capital raise

HYDRIX Medical

- **Sales** of EIQ & Implicity
- Advance Guardian **Regulatory** approval paths in Japan & Hong Kong
- Guardian **sales** in S.E. Asia
- Expand product portfolio

HYDRIX Group

- Target Group cash operating **breakeven in** September quarter of CY2024

Key takeaways

1 Business in good hands, experienced leadership

2 Services FY23 profitable, strong revenue growth

3 Ventures assets are maturing, commercialising

4 Medical product sales coming, growth catalyst

5 Tracking to strategy, market value yet to catch up

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